28- Strup to Prevel



BRIEFING MEMORANDUM

MAR

To : The Secretary

From: NEA - Sidney Sober, Acting

INR - Harold H. Saunders

Analysis of Arab-Israeli Developments
No. 229, August 31, 1977

Following is our preliminary assessment of Syrian attitudes toward the peace process.

We share the concern of Embassy Damascus over the growing criticism of the US and the US peace effort which has appeared in the Syrian press during the Moreover, Assad in a New York Times interlast week. view and Information Minister Iskandar in Beirut's Monday Morning both have underlined Syrian possimism. These public pronouncements may be the beginning of a harder Syrian line toward the peace process. The Syrians have been disturbed by what they consider the success of the hardline Israeli approach in gaining concessions from the Arabs, while maintaining US support. In addition, "Israeli intransigence" only confirms their worst fears that Israel does not really want peace and plans to incorporate the occupied territories into Israel.

Furthermore, a growing number of Syrians have become convinced that Arab "flexibility" has gained nothing while the Israeli hardline has "created facts" that make the peace process even more difficult. As a consequence, the Syrians may be in the process of developing a strategy to counter the Israelis and not to concede anything more. This includes a refusal to make what they regard as additional concessions unless they receive something tangible in return. We believe that the Syrians are still committed to negotiations, but

TOP SECRET

- 2 -

they are going to be more difficult to deal with in coming months.

Damascus' frustration over what they see as the success of Begin's policy also appears to be affecting the Syrian perception of the US role. Many Syrians believe that relying on the US as the midwife of the peace process — as Sadat and the Saudis do — is foolish particularly since the U.S. "brought nothing" from Israel, in Assad's words, during the recent trip. Even those Syrians who are generally supportive of US actions have not considered Washington's statements about recent Israeli settlement activity as sufficient to show that the US has the will to deal forthrightly with the Israelis.

Other Syrians are less charitable. Described by Presidential advisor Daoudi as the "skeptics," these persons doubt that the US really is interested in a peace settlement. They suspect the US approach to the Arab-Israeli dispute is merely a cover for other American objectives, which include splitting the Arabs, isolating the PLO, and driving a wedge between the Arabs and the Soviets. This line of thought seems to be gaining adherents, leading Embassy Damascus to emphasize that Khaddam's discussions in the US next month take on added significance.

Nevertheless, not all of Syria's recent actions affecting the settlement process are attributable to the hardening of the Syrian position. We note, for instance, that the Syrian failure to join the Saudis and the Egyptians in pressuring the PLO to accept 242 may have been the result of the Syrian reluctance to expend their capital with the PLO on what they regard, in present circumstances, as a marginal issue. To the Syrians, reaching an agreement with the PLO in Lebanon is far more important than getting them to accept 242 in return for a dialogue with the US. The Syrians, in our view, assessed the Palestinian opposition to 242 and decided that this was not the issue on which to press the PLO, just when some progress is being made in Lebanon.

On the larger Palestinian question, however, the Syrians still are maintaining some flexibility. In his New York Times interview, Assad indicated that

TOP-SECRET

Palestinian "rights" were far more important than who would represent the Palestinians. He also seemed to back away from all-out support of the PLO as the only possible representative of the Palestinians at Geneva.

Amah. Tomasali

OTHER DEVELOPMENTS

Arab-Israeli

- At a press conference vesterday, Begin --Begin: asserted that Arab insistence on PLO participation at Geneva "makes the reconvening of the conference impossible." In place of Geneva, Begin proposed the alternatives of either negotiating separately with each Arab neighbor or holding indirect talks through US mediation. The Israeli Prime Minister rejected the concept--hinted at by Assad--of the Arab League representing the Palestinians at Geneva, saying that the League is not a nation and as such Thus, he cannot be a signatory to a peace treaty. stressed, "the League's presence at Geneva is completely unacceptable". (According to Paris AFP, a PLO spokesman yesterday also rejected the idea.)
- --Israel-Settlements: Reuter, from Israel reported that Begin is likely to come under strong political pressure in the coming months for more Jewish settlements in Arab territory. The Gush Emunim, according to Reuter, is planning a score of new villages, possible to be set up without government authorization.
- --Egypt-Israel-Arab League: In a message submitted to the Arab League Council of Foreign Ministers, scheduled to meet September 3, Egypt has proposed that the Arabs adopt a unified policy to confront Israel's activities in the occupied areas, Cairo MENA reported. Saying that "escalation of Israeli aggression (in the occupied areas) requires a counter-escalation" by the Arabs, the message identified three possible courses of action:
 - --make a comprehensive effort to help the inhabitants of the occupied areas (presumably with financial aid);
 - --continue to solicit the support of all nations to oppose Israel's actions; and
 - --revive the issue at the next UN session.
- --Israel-US: The Israeli daily Haaretz reported that the Israeli government will soon begin a "special effort" to make known to the American public and to

TOP SECRETY

Approved for Release by the Central Intelligence Agency Date:/3 Nov 2013 Approved for Release by the Central Intelligence Agency Date; 15 Nov 22/3

and to the US administration Isarel's firm opposition to the idea of establishing an independent Palestinian state. The "political and informational" campaign will emphasize the Israeli position that support for the PLO contributes to the promotion of this idea and that the PLO still seeks the destruction of Israel is indicated by the recent PCC communique.

-- Israel-Bombs: Two more bombs--one in Afula and the other in Jerusalem--exploded in Israel yesterday, Reuter reported. No one was injured in either incident.

Palestinians:

--USSR-PLO: Gromyko and Arafat moved into their second day of talks yesterday with both sides claiming that the results of their first five-hour session on Monday were "positive." Following Monday's session Arafat, in interviews with TASS and Radio Moscow:

- --strongly endorsed a Soviet role in any further Middle East negotiations and
- --condemned your recent Middle East mission for ignoring Palestinian rights and trying to delay and frustrate the Geneva Conference.

Meanwhile, A radio Moscow commentary following Arafat's arrival in the Soviet capital reiterated the USSR's support for Palestinian rights to self-determination and establishment of an independent state and blamed the "deadlock" in the Middle East on US and Israeli unwillingness to recognize the PLO and accord it a role in Geneva negotiations.

1	•		•		j
i					Ì
					1
		•			
}					
			•		
1					
L				 .	

POPTSPORE

International:

- --Egypt-Libya: Egyptian Minister of War Gamasy told our Ambassador in Cairo that the weekend meetings between Libyan and Egyptian officials had not discussed the issues of a broad disengagement of forces and general reduction of tension between the two countries. Egypt refused to discuss these matters until additional Egyptian prisoners are released. (Egypt is reportedly insisting that its "agents" captured behind the lines in civilian garb also be exchanged). While Gamasy would not rule out an eventual detente with Libya; he told our Ambassador that he personally felt that Egypt should keep up the pressure against Qadhafi who continues to be a threat to the Egyptian stability and to Middle East peace.
- --Israel-Romania: Prime Minister Begin returned to Israel yesterday at the conclusion of his Romanian visit. Commenting upon his arrival at Ben Gurion airport, he described the visit as "important, interesting and exciting," according to Reuter. In a conversation with Ambassador Barnes in Bucharest Begin said that Ceausescu had given him assurances that emigration applications by Romanian Jews would be considered in a positive spirit. Begin hoped that useful results could be seen by October, at which time, he hinted, he might make another visit to Romania.

•			
			ļ
	•	 	

TOP SECRET

-Egypt Internal: Cairo's Al-Ahram reported yesterday that Egyptian security has uncovered a new extremist Muslim sect, the "Jihad", which had planned to use violence to spread its religous teachings. 80 of the group's members have been arrested. According to the issue of "October" magazine, published Sunday Egyptian authorities have also recently cracked down on another group called the "Soldiers of God" which was said to be plotting anti-government activities.

Lebanon:

- --Boutros Plan. In a conversation with our Charge in Beirut, Boutros made the following points about the latest plan for resolving the southern Lebanon situation:
 - --it would be "impossible" for the Palestinians to agree to refrain from military operations against Israel from Lebanon, since this would be tantamount to "treason" on their part.
 - -- the reference to allowing some armed Palestinians to remain in Bint Jbayl was intended to mean the district of Bint Jbayl (which runs to the Litani River) and not the town.
 - --he expected that the Palestinains who entered Lebanon after 1969 would be prepared to go to Syria.

Although reiterating that no firm agreement has yet been reached, Boutros said that he hoped that some Lebanese troops will be in the south before he left for the UNGA session.